

A political Pearl Harbor hits Congress and the American people

by Kathleen Klenetsky

It is testimony to the incompetence and craven opportunism which characterizes most members of Congress these days, that, just one month after the Gramm-Rudman-Hollings "balanced budget" amendment was voted into law by hefty majorities in both houses, a major drive has been launched for its repeal.

Within hours after Congress reconvened Jan. 21, two New York Democrats, Reps. Mario Biaggi and Ted Weiss, introduced separate bills that would overturn Gramm-Rudman completely. Biaggi, according to an aide, motivated his measure on the grounds that the balanced-budget law is "legally and economically flawed . . . dangerous and destructive."

Another Brooklyn Democrat, Rep. Charles Schumer, is also considering sponsoring a bill to repeal Gramm-Rudman. In the interim, he is circulating an analysis prepared by his staff which shows that if Gramm-Rudman's automatic-cuts provision is triggered in fiscal year '87, most government programs could be cut from anywhere from a quarter to a third. "We want to make sure that everybody on the Hill and elsewhere is aware just how bad this bill is," an aide told *EIR*.

According to congressional sources, certain Republicans may also initiate action to overturn the bill.

These moves are just the most public indications of the panic which is enveloping Capitol Hill as it begins to penetrate that Gramm-Rudman is detonating a political explosion which could cost every single member of the House and Senate his or her job. As one staffer to a prominent Democratic congressman put it: "Congress has woken up to the fact that it gave birth to a Frankenstein, and now it's trying desperately to strangle it."

The bill which many members of Congress saw as a heaven-sent device by which they could relieve themselves of their constitutionally mandated responsibility for managing the budget of the United States, by handing it over to a computer oblivious to political pressures, has instead turned into a political hot potato of the first order. Members of Congress—including some who voted for Gramm-Rudman in December—are scrambling wildly to disassociate them-

selves from the measure.

"The devil made me do it" has suddenly become the theme song of the 99th Congress. A startling number of senators and representatives—again including members who endorsed the bill—are attempting to absolve themselves of responsibility by claiming they didn't know what it was they were voting for!

"We don't understand Gramm-Rudman, even though we voted for it," an aide to a Gulf States Democrat told *EIR*. The House Budget Committee was forced to schedule a closed-door briefing Jan. 22 to "explain" to congressmen and their staff exactly what it was they chose to impose on the country last month, because so many legislators claimed to be ignorant of Gramm-Rudman's provisions.

But these pitiful excuses are hardly likely to satisfy the hundreds of millions of Americans who are going to suffer bitterly as a result of the irresponsibility and cowardice of their elected representatives. The reason why so many members of Congress are suddenly trying to put as much distance as possible between themselves and the bill, is that they were treated to a harsh dose of reality when they went back to their districts for the Christmas recess.

Numerous congressmen and senators have admitted in discussions over the past few days that their constituents were "absolutely up in arms" over the anticipated effects of Gramm-Rudman. "Before the holiday, everybody up here [on Capitol Hill] was for a balanced budget. Now, no one is," confided one aide to a Gulf States Democrat.

Rep. Jamie L. Whitten (D-Miss.), an old-line Democrat and chairman of the powerful House Appropriations Committee, said that half the banks in his district are in "serious trouble" and that the cuts in farm subsidies demanded by Gramm-Rudman will just make matters worse.

Rep. Silvio Conte (R-Mass.) told the *New York Times* that he was besieged by representatives of the 13 colleges in his western Massachusetts district, who were apoplectic over the huge reductions the bill will make in higher education funds. "My God, there will be more gnashing of teeth and screaming up here," said Conte, predicting that his colleagues would soon be hearing similar complaints from other

constituencies about Gramm-Rudman—if they hadn't already.

What members of Congress are hearing from their constituencies is a grim but simple message: Gramm-Rudman will wreak havoc over every area of life.

Shortly after Gramm-Rudman's passage, *EIR* began monitoring the impact which the bill was having, both economically and politically. In speaking to hundreds of state and local government officials, trade union leaders, farm representatives, and spokesmen for other constituency groups, it became evident that anyone who had actually studied the bill realized that it threatens virtually to close down whole sections of the economy, bankrupt many less prosperous towns and cities, impose devastating cutbacks in others, and force huge increases in taxes to compensate for the loss in federal funds.

"This is going to kill us," one state official bluntly told *EIR*. "People didn't understand what Gramm-Rudman was. Now that it's been passed, they're beginning to realize that it's an uncontrollable monster which could wipe us all out." The official stressed that the threat of Gramm-Rudman was so great, that state and local government representatives were "panicking" even though the actual cuts won't be implemented till March 1. Furthermore, those cuts will only amount to \$11.7, piddling compared to the \$64 billion which some administration spokesmen say will be necessary in FY87.

That's the message which congressmen and senators got when they were back home, and they haven't escaped by fleeing back to Washington. Twenty-four hours after Congress reopened, a group of big-city mayors, in town for a meeting of the U.S. Conference of Mayors, turned up at House Budget Committee hearings to warn about Gramm-Rudman's consequences.

Chicago Mayor Harold Washington, noting that his city stands to lose 8% of its total budget for FY86 as a result of the cuts, called Gramm-Rudman "devastating" and "chaotic." The "guts of local government" will be "torn apart" and "the future of our cities is at stake," he said. Boston Mayor Flynn charged that the legislation represents "urban terrorism." Kansas City Mayor Richard Berkley, a Republican, said that even if all the programs which the mayors were concerned about were eliminated, "it would hardly make a dent in the federal deficit but . . . would wreak havoc at the local level." And Mayor Terry McKane of Lansing, Michigan, testified: "We've already cut all the fat. We're down to the muscle and bone."

Political pickle

It's obvious that the Democrats are hoping to capitalize on the growing uproar over Gramm-Rudman as a choice opportunity to advance their own political interests and agenda. It's no accident that the individuals who are positioning themselves at the head of the anti-Gramm-Rudman move on the Hill are by and large liberal Democrats, who see Gramm-Rudman as a device to embarrass Reagan politically and lead

to massive Democratic victories in the 1986 elections, and possibly in 1988 as well.

Perhaps the most bitter irony of the current situation is that many of the same Democrats who fought tooth and nail against the Strategic Defense Initiative, the MX missile, and other elements of the Reagan defense program, are now sanctimoniously parading around as defenders of U.S. national security. The Democratic National Committee, whose new executive director held top posts in several pro-disarmament groups, had the nerve to issue a statement that Gramm-Rudman was at odds with the party's stand on defense.

This concern is totally fraudulent. By their own frank admission, the majority of congressional Democrats, at least those in tune with the DNC, are not opposed to the idea of a balanced budget achieved through massive cuts; they just want the cuts to be in defense spending, and they want tax increases too—an objective shared by many Republicans as well, notably including Senate Majority Leader Robert Dole (R-Kan.).

But some Democrats are politically acute enough to realize that Gramm-Rudman is so explosive that any attempt to reap political benefits out of the misery it will inflict could backfire badly. As Leon Panetta (D-Calif.), chairman of the House Democratic Caucus economic committee, said: "It's a double whammy. All incumbents are going to suffer."

President Reagan could suffer worst of all: After coming into office in 1981 pledging to end Jimmy Carter's economic austerity, and to rebuild America's depleted defenses, he has put himself in the unenviable position of having ripped up the U.S. Constitution, placed the nation's economic policy in the hands of the International Monetary Fund, and set the stage for the most drastic military build-down since the World War II demobilization.

Although the President is insisting that he will stick by his guns and wrench from Congress a 3% increase for the Pentagon for FY87, that's a complete pipe dream. He couldn't even get that from Congress last year—when the economic pressures weren't as intense, and when Gramm-Rudman's mandatory budget-deficit ceilings weren't in effect.

Unless the President is willing to throw out Gramm-Rudman, fire his economics advisers, and adopt an economic policy geared at rebuilding America's industrial and agricultural base—an approach that requires a radical restructuring of the national debt—Reagan may go down in history as the last President of the sovereign U.S.A.

The same holds true for those in Congress now trying to overthrow Gramm-Rudman. No matter what the political pedigree or motives of those involved, repealing the bill is both desirable and necessary. But it is not sufficient, by a long shot, to solve the underlying problems of the American economy. That takes the kind of guts that millions of Americans are now looking to their political leadership for. But they won't find it, unless they effect a drastic change in the people and policies in the Congress and other key U.S. institutions.